(d) if so, the details thereof, alongwith the success achieved by DRTs in the recovery of debts;

(e) whether Government received suggestions from the All India Bank Officers' Association on improvement of banks' functioning;

(f) if so, the details thereof; and

(g) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Reserve Bank of India, which is an autonomous institution, already exists to regulate and supervise banking system.

(c) and (d) Yes, Sir. The performance of Debt Recovery Tribunals (DRTs) was last reviewed in a meeting taken on 2nd July, 2001 with Presiding Officers of DRTs, Chairpersons of Debts Recovery Appellate Tribunals (DRATs) and Chairman & Managing Directors of Public Sector Banks/Financial Institutions. At present 28 DRTs and 5 DRATs are functioning. The overall performance of DRTs is satisfactory. Upto 30th September, 2001 DRTs had disposed off 18,803 cases involving amount of Rs. 14,026 crores (decreed amount of Rs. 7,065 crores). An amount of Rs. 3,527 crores have been recovered.

(e) No, Sir.

(f) and (g) Do not arise.

Indirect agricultural advances by private banks

*323. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) the names of the private sector banks which have extended indirect agricultural advances far in excess of the maximum percentage while their direct agricultural advances fell far short of prescribed amounts or even negligible compared to indirect lending contrary to the advice of the Reserve Bank of India; and

(b) the action Government have taken or propose to take against such erring banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Reserve Bank of India (RBI) has reported that 11 private sector banks have extended indirect agricultural advances in excess of the stipulated percentage of 4.5 per cent of their Net Bank Credit (NBC) while failing to achieve the overall agricultural lending target, i.e. 18 per cent of their NBC. These banks are:

1. Bank of Rajasthan
2. Vysya Bank
3. Lord Krishna Bank
4. Ratnakar Bank
5. Benaras State Bank
6. SBICI Bank
7. HDFC Bank
8. Centurion Bank
9. Bank of Punjab
10. Development Credit Bank
11. IDBI Bank

(b) All the domestic scheduled commercial banks, both in the public and private sectors, are required to make contributions to the Rural Infrastructure Development Fund (RIDF) based on the shortfall, if any, in their lending to the priority sector and/or agricultural lending. Effective RIDF-VII, the rate of interest payable on RIDF deposits has been linked to the banks' performance in lending to agriculture. Accordingly, banks now receive interest on their contribution to RIDF-VII onwards at rates inversely proportional to their shortfall in agricultural lending.

RBI has also set a deadline of two years i.e. by March, 2003 for defaulting private sector as well as public sector banks for achieving their priority sector, including agricultural lending, targets for extending more and more institutional finance to the development programmes for rural areas.